LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6202 NOTE PREPARED: Feb 27, 2012 **BILL NUMBER:** SB 273 **BILL AMENDED:** Feb 21, 2012

SUBJECT: Regulation of Outdoor Stage Equipment.

FIRST AUTHOR: Sen. Lanane BILL STATUS: As Passed House

FIRST SPONSOR: Rep. Cherry

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

X DEDICATED FEDERAL

<u>Summary of Legislation:</u> (Amended) *Rules Adoption*- The bill requires the Fire Prevention and Building Safety Commission (FPBSC) to adopt rules to regulate outdoor stage equipment used in connection with an outdoor performance as a Class 1 structure. The bill specifies that the rules apply to outdoor stage equipment used after the later of June 30, 2012, or 60 days after the commission adopts its initial rules.

Exemptions/Alternative Requirements- The bill permits the FPBSC to exempt or provide alternative requirements for small assemblies of outdoor stage equipment.

Validity of Local Regulations- The bill validates local programs regulating outdoor stage equipment that were implemented before March 15, 2012.

Local Unit Jurisdiction- The bill specifies that a local unit has jurisdiction to require compliance with state requirements on both private and public property, including the State Fairgrounds.

Expiration of State Authority- The bill provides that state authority over outdoor stage equipment expires on January 1, 2014.

Establishment of Study Committee- The bill provides for a study committee to study the issues related to the regulation of outdoor stage equipment and recommend permanent legislation to the General Assembly to regulate the use of outdoor stage equipment in Indiana for the purpose of protecting the safety of persons at an outdoor performance. The bill requires copies of reports related to the collapse of an outdoor stage on the State Fairgrounds to be submitted to the study committee.

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Effective Date: Upon passage.

<u>Explanation of State Expenditures:</u> (Revised) *Rules Adoption*- The FPBSC would be required to adopt rules (including the adoption of fee schedules) necessary to implement the provisions of the bill. The FPBSC would be able to accomplish the adoption of rules within the normal course of business.

(Revised) *Establishment of Study Committee*- The study committee would be governed by the rules established by the Legislative Council. The committee would have 12 members. Each member who is a state employee would be entitled to travel and other expenses accrued in the course of serving on the committee. Eight members would consist of members of the General Assembly and would be eligible for reimbursement consisting of per diem, travel, and mileage as would legislative members assigned to other interim study committees according to the rules established by the Legislative Council.

The Legislative Services Agency (LSA) would staff the committee. The LSA would be able to staff the committee within the Agency's existing level of resources.

According to the most recent Legislative Council resolution (11-02), study committees with less than 16 members have a maximum budget of \$9,500 to conduct business.

<u>Explanation of State Revenues:</u> (Revised) *Rules Adoption*- The bill would allow the FPBSC to establish fees for design releases and inspections of outdoor stage equipment. Any revenues generated would depend on the rules established by the FPBSC.

Explanation of Local Expenditures: (Revised) Validity of Local Regulations- The bill would allow local units of government which regulated outdoor stage equipment prior to March 15, 2012, may continue to do so. However, rules established by the FPBSC would have precedence where conflicts occur. The impact of this provision on the ability of local units of government to conduct inspections and collect fees is indeterminable and would depend on the rules adopted by the FPBSC.

Explanation of Local Revenues: See Explanation of Local Expenditures.

<u>State Agencies Affected:</u> Department of Homeland Security; Legislative Council, Legislative Services Agency; State Fair Committee.

Local Agencies Affected: Local units that inspect outdoor staging equipment.

<u>**Information Sources:**</u> Legislative Council Resolution (11-02).

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